

2003 Session Review



Washington State Senator

Don Carlson



How to contact me:

Olympia office:

PO Box 40449
Olympia, WA 98504-0449
(360) 786-7696 (phone)

Vancouver home office:

574-4555 (phone and fax)
E-mail: carlson_do@leg.wa.gov

Senate committees:

- Higher Education, chair
- Education
- Children & Family Services
& Corrections

Other committees:

- Western Interstate
Commission on Higher
Education, commissioner
- Joint Committee on Pension
Policy
- Oral History Review Board
- Washington Institute for Public
Policy Board

Dear Friends,

The 2003 Legislature has finally adjourned for the year. On June 11, legislators wrapped up their work and left Olympia after using two special sessions spanning 31 days to reach agreement on a new two-year operating budget and to address other important issues that were unresolved during the 105-day session that was completed in late April.

Because of the challenges brought on by the state's revenue shortfall and subsequent \$2.6 billion budget deficit, this was the most difficult session in the 11 years that I've been part of the Legislature. Despite these enormous difficulties, the Legislature managed to pass a budget that avoided any general tax increases while minimizing cuts to our most vulnerable citizens.

For me personally, it was a very rewarding session. Nine of my bills were signed into law, as were nine House bills that were companions to measures that I introduced this year. In my 11 years as a state legislator, I've never had so many of my bills become law.

This newsletter provides a review of the key issues that were addressed this year by the Legislature, including:

- The operating budget and its effects on K-12 and higher education;
- The capital budget and what it provides for Clark County;
- Various K-12 and higher education issues;
- Bills to improve Washington's business climate; and
- Prescription drug reform.

If you have any questions, comments or concerns about the issues listed in this newsletter, please feel free to share them with me. If you have any problems with a state government agency or if you have an idea for a bill next year, let me know. I'm here to help.

It continues to be a great honor and privilege to serve you and the 49th Legislative District as your state senator.

Sincerely,

A handwritten signature in red ink that reads "Don Carlson".



Legislature passes responsible budget during tough fiscal times

The two-year, \$23 billion, no-new-taxes operating budget passed by the Legislature in June takes a responsible approach to dealing with the state government's terrible fiscal crisis. Some very hard and unpopular choices had to be made by House and Senate budget negotiators, but they are decisions that I think are in the best interest of the state. I believe this budget is the best the Legislature could do in light of these tough circumstances.

The compromise budget closes a \$2.6 billion gap (the largest deficit in state history) by laying off more than 1,300 state employees, trimming health care rolls, freezing more state worker salaries and most new education spending, and tightening agency spending.

While there is no general tax increase, this budget does have \$184 million in new revenue, including \$14 million from a 30-cents-per-liter increase in liquor prices. The state's \$400 million windfall from the new federal tax relief bill will be kept unspent, just in case there is a revenue downturn later this year.

The operating budget includes \$29.3 million for the Department of Ecology's toxics cleanup program that will deal with thousands of contaminated sites around Washington. Additional funding is provided to implement the mercury reduction bill signed into law this year.

Budget highs and lows for higher education:

Although the state operating budget allows colleges and universities to raise tuition by as much as 7 percent for resident undergraduate students, it does provide some good things for higher education:

- \$26.1 million more in funding for the State Need Grant program.
- A \$20.9 million funding increase for high-demand/cost programs. This funding will help increase the capacity of colleges and universities to deliver training and degree programs in high-demand fields, such as worker retraining programs, nursing and other health services, applied science and engineering, computing and information technology, teaching and other fields.
- \$10 million for colleges and universities to recruit and retain faculty and professional staff.
- \$2.7 million for the Engineering and Science Institute and regional partnership involving WSU Vancouver, Clark College and Lower Columbia College. This money will help facilitate the direct transfer of 168 associate degree students into baccalaureate programs in applied science and engineering at WSUV. The regional partnership has been formed to improve economic development opportunities and help



Suzzallo Library at the University of Washington.

industries based in Southwest Washington.

- A \$1.8 million funding increase for Washington Scholar and vocational excellence awards.

Other budget results:

Home-care workers: A key sticking point during negotiations between the House and Senate was over a pay increase for home-care workers, who care for elderly and disabled state clients in the clients' homes. The budget compromise provides a 75-cent-an-hour pay raise in October for about 34,000 home-care workers. While this pay hike is only a third of what the home-care workers' union demanded, I think it's a fair compromise in light of the state's fiscal situation.

Protecting vulnerable citizens: It's important to know that while some tough cuts had to be made, the final budget preserved state funding for the developmentally disabled, mentally ill, elderly in nursing homes and at-risk children. It also restores over \$150 million in cuts proposed by the governor.

Teacher salaries: Although the budget froze the pay raises that were due for all public K-12 teachers, it does give raises to teachers in their first seven years. In





fact, starting teachers will make more than \$30,000 a year by 2004.

School class sizes: The budget includes \$30 million more for class-size reduction than Gov. Locke requested, boosting the per-student grant by \$254 in the second year of the budget biennium.

Streamlining Basic Health Plan: The budget restructures the Basic Health Plan to avoid cutting off 60,000 people from the plan, as called for by the governor's proposal. At the same time, it restructures the BHP benefit package to better handle rising medical costs.

The result is that the BHP package will still provide good coverage while paying 18 percent less. The budget also increases eligibility verification efforts, thus making sure those on the BHP actually qualify for the benefits.

Legislature passes unemployment insurance reform bill

A key bill improving Washington's chances of landing Boeing's highly desired 7E7 project was approved by the Legislature on the last day of the special session.

Engrossed Senate Bill 6097 makes substantial changes to the state's unemployment insurance system. The UI reform bill is vital to our efforts to improve Washington's business climate. It allows businesses in our state to reduce costs and become more competitive. In recent months, Boeing made it clear that the Legislature must pass an unemployment insurance reform bill if Washington is to have a chance of landing Boeing's 7E7 final assembly. Some analysts say the 7E7 would create 7,500 new jobs at Boeing and its suppliers, plus another 12,500 jobs indirectly. This would provide a needed spark to our state's struggling economy.

Legislature addresses high costs of prescription drugs

During the special session, the Legislature passed a prescription drug reform bill aimed at making drugs more affordable for low-income people and the

state. The measure directs state agencies, which now may pay different prices for the same drug, to pool their purchasing and use that buying power to negotiate discounts. State agencies would be allowed to adopt a "preferred" drug list created by a committee of medical professionals. People age 50

and older with an annual income of less than three times the federal poverty level would be allowed to join the buying pool and get the lower prices. Disabled adults under age 50 who meet the same income requirements could also join the pool. It is estimated this measure will save the state \$16 million over the next two years.



State to make major investment in highways

The Legislature and Gov. Locke approved a state transportation budget and funding plan that will raise about \$4.2 billion for statewide transportation projects during the next 10 years. The plan increases the state's gas tax for the first time since 1991.

The transportation funding plan includes:

- A one-time 5-cent increase in the state's gas tax;
- A 15 percent weight fee surcharge on trucks (motor homes are not included); and
- A 0.3 percent sales tax on new and used vehicles.

Local projects:

Clark County receives ample funding for transportation in the plan, including \$40 million to reconstruct the NE 134th Street interchange at the junction of I-5 and I-205, nearly \$35 million for the I-5/SR-502 interchange, \$15 million to widen SR-502 from I-5 to Battle Ground, \$34 million to add additional lanes on I-5 from Salmon Creek to I-205, \$12 million for a ramp from northbound I-205 at Mill Plain Boulevard to NE 112th Avenue, and other transportation priorities.



Recap of my K-12 and higher education bills

This year, I focused largely on K-12 and higher education issues. I was very pleased to see many of these proposals become law, or at least their House companion bills become law. Here is a recap of some of these education-related bills that are now law:

SB 5134 – This bill **makes permanent the border county higher education program**. Under this popular and sensible program that began in 1999, Washington residents who live in counties along the Washington-Oregon border may attend any Oregon community college at resident tuition fees. Portland State University and the Oregon Institute of Technology may enroll Washington residents for up to eight credits at resident tuition rates.

E2SSB 5135 – This is the “**lingering college students**” bill. Its goal is to **encourage students to finish their studies as close as possible to four years instead of taking more than five years**. By doing this, it should help create more enrollment space in our colleges and universities at a time when some schools have to turn away students due to overenrollment.

The bill requires four-year colleges and universities and the State Board for Community and Technical Colleges to develop policies ensuring students complete their degree programs in a timely manner. These policies must address students who:

- Have accumulated more than 125 percent of the credits needed for a degree;
- Drop more than 25 percent of their course load prior to the grading period for the term; and
- Remain on academic probation for longer than one term.

Such policies may include assessing a tuition surcharge, although it’s unlikely students will face any financial punishment. Students may appeal if they believe unusual circumstances would cause them to be unable to complete their program and they should be allowed a waiver.

SSB 5133 – This measure **adopts the revised interstate compact for juveniles**. The current Interstate Compact on Juveniles allows states to cooperate in the supervision of juvenile offenders living in a state other than the original state where a court decision regarding the juvenile was made. Each state in the compact is responsible for the proper supervision or return of juveniles, delinquents, and offenders who are on probation or parole and who have escaped or run away from supervision and in doing so have endangered their own safety and the safety of others. This measure allows Washington to be involved in revising the rules related to interstate supervision, training, transfers and other issues. However, it

doesn’t interfere with the state’s Becca Law regarding runaways.

ESSB 5142 – This measure **permits the children of certified and classified school employees to enroll at the school where the employee is assigned or at another school within the school district where such employees work**. By allowing children to attend the school where their parents work, teachers and staff will no longer have to split their time and energy between two different schools. The bill is an incentive for teachers to stay in teaching instead of going to work elsewhere. However, it also protects existing students with a provision that allows school districts to deny enrollment to a child covered by this bill if enrolling that student would displace a child who is a resident of the school district or if the enrollment would place the school at its enrollment capacity. Under the measure, no out-of-state student could displace a resident of our state.

SSB 5505 – This measure **requires public high schools to provide study programs for students who plan to pursue other career or work opportunities instead of attending a four-year college or university**. If certain students have access to career or technical education programs in high school, it opens a door for them to start a career in a technical field after high school or it can lead students to a certification program in a community college.

ESSB 5448 – This measure, requested by Gov. Locke, **authorizes four-year colleges and the State Board for Community and Technical Colleges to set tuition rates for graduate, out-of-state and professional students**. The Legislature will retain the authority to set tuition rates for resident undergraduates.





Pension-related bills passed by Legislature

The Legislature this year tried to continue making significant reforms with the state's pension and retirement systems. Several measures were sent to the governor's desk that provide support for police, fire fighters, teachers and state employees. Here is a look at a couple of these bills:

SHB 1204 creates a 20-member Select Committee on Pension Policy. Committee membership includes union representatives and employers, allowing employers and employees to sit together at the table to discuss the state's pension policy. Signed into law.

SHB 1829 aims to fix problems with the state's retire-rehire law. Under current law, retired members of Plan 1 of the Public Employees' Retirement System (PERS 1) or the Teachers' Retirement System (TRS 1) can return to their previous job a month after retirement and work up to 1,500 hours per year without a reduction in pension benefits. Since this law was enacted, there have been several examples of education employees or other state employees retiring and then being rehired to their old job just a month after retiring. Some critics have called this legalized double-dipping.

SHB 1829 sought to fix the problems that have arisen since the law was created in 2001. The measure increases the amount of time – from 30 days to 90 days – that state government and local government workers must leave their jobs before being rehired. It also sets a retroactive three-year limit on the total amount of time a retiree can receive both a paycheck and pension.

Gov. Locke vetoed a bill section dealing with teachers and school principals. They would have had to go through a 45-day waiting period before returning to work. They also would have had a five-year total limit on collecting both a paycheck and their pension. In his veto message, Gov. Locke said the time limit on teachers and principals would “place an unreasonable recruitment burden on school districts facing significant shortages of qualified teachers and principals. We must protect the ability of school districts to provide for the education of our children, and trust their locally elected school boards to properly administer the retire-rehire law.”

State capital budget benefits Clark County

During the special session, the House and Senate reached agreement on a \$2.6 billion, two-year state capital construction budget. This is the state's construction budget. It allocates funds to maintain existing state-owned facilities, including public schools, colleges and universities, parks and prisons. The new capital budget aims to create nearly 14,000 jobs throughout Washington in construction and other fields. With the state unemployment rate still among the highest in the nation and with our economy still struggling, an infusion of new jobs is very welcome.

The capital budget includes funding for several Clark College-related projects:

- \$18 million for the new Clark Center buildings at WSU Vancouver;
- \$4.05 million for Stout Hall;

- Nearly \$3.9 million for renovation of the applied arts building; and
- \$300,000 for phase I work at the college's East County Satellite campus.

The budget also appropriates:

- \$10 million for design and construction of the Washington State Patrol's new crime lab in Vancouver;
- \$4.3 million for campus utilities and infrastructure work at WSU Vancouver;
- About \$3.7 million for preservation projects at the State School for the Blind; and
- \$3 million for the Lewis and Clark Confluence Project slated to be completed in 2005 in conjunction with the bicentennial of the Lewis and Clark expedition.

The federal government recently created a National Do Not Call Registry to make it easier and more efficient for you to stop getting telemarketing sales calls that you don't want. You can register online at DONOTCALL.GOV if you have an active e-mail address. Or you can call toll-free, 1-888-382-1222 (TTY 1-866-290-4236), from the number you wish to register. Registration is free. The Federal Trade Commission, the Federal Communications Commission and the states will begin enforcing the Do Not Call Registry on Oct. 1 this year.



“WaferTech bill” signed into law

The Legislature and Gov. Locke this year approved a measure offering tax incentives for the semiconductor industry in an effort to entice WaferTech to build a new \$3.5 billion plant in Clark County. SB 5725 is expected to bring about \$250 million in new revenue to the state while protecting more than 3,000 jobs paying more than \$50,000 a year.

“211 bill” becomes law

ESHB 1787 establishes 211 as the official state dialing code for public access to information and referral for

health and human services and information about access to services after a natural or non-natural disaster. I prime-sponsored an identical measure in the Senate, ESSB 5692.

Environmental bills passed by Legislature:

Mercury reduction — The measure aims to reduce and regulate mercury in Washington. ESHB 1002 protects consumers from mercury and from products banned in neighboring states. The measure calls for a ban by Jan. 1, 2006, on the sale of auto switches containing mercury; mercury thermometers and blood pressure devices, with some exceptions; and mer-



Senator Carlson and page Franklin Kanekoe.

cury-infused novelties such as jewelry or ornaments.

Moving illegally parked vehicles off streets —

HB 1088 authorizes police to remove an illegally parked vehicle from

restricted parking zones if such a zone is marked by signs 24 hours in advance that establish it as a restricted parking area.

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Senator Don Carlson
PO Box 40449
Olympia, WA 98504-0449